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SUMMARY RECORD OF THE 23rd MEETING

Chairman: Mr. TEIRLINCK (Belgium)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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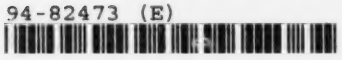

The meeting was called to order at 10.20 a.m.

AGENDA ITEM 113: HUMAN RESOURCES MANAGEMENT (continued) (A/49/176 and Add.1, A/49/219 and Add.1, A/49/406, A/49/445, A/49/527 and A/49/587; A/C.5/49/5, A/C.5/49/6 and Corr.1 and Add.1, A/C.5/49/13, A/C.5/49/14, A/C.5/49/32, A/C.5/49/37 and Add.1 and A/C.5/49/45)

1. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that he would indicate the way in which the Advisory Committee intended to review the revised estimates in document A/C.5/49/5, which set out a new strategy for the management of the human resources of the Organization. Additional resources had been requested to provide the Office of Human Resources Management with a true planning capacity and improve coordination of all aspects of human resources management policy (paras. 125-127) and to implement the Performance Appraisal System (paras. 128 and 129). A net additional appropriation of $879,900 would be required under section 25C (para. 133).

2. The Advisory Committee suggested that the Fifth Committee should first consider the substantive questions raised by the proposed strategy and that the Secretary-General should then estimate the financial implications of any decisions which the Fifth Committee wished to recommend to the General Assembly for adoption. The Advisory Committee would then consider the amounts proposed in order to make its recommendations to the Fifth Committee, in accordance with the provisions governing the use of the Contingency Fund (General Assembly resolution 42/211). For that reason, ACABQ had not yet expressed an opinion on what the Secretary-General proposed in chapter III of his report.

3. Mr. DIMOV (Bulgaria) said that the strategy for the management of human resources was an important element of the ongoing reform process. Closer linkage between human resources planning and the medium-term plan, the programme budget and the mandates of the legislative bodies was also desirable. The decentralization of certain aspects of human resources management and greater delegation of authority to programme managers were consistent with measures designed to strengthen the system of accountability. Lastly, the introduction of a management culture which stressed transparency and good staff/management relations should be decisive. His delegation hoped that the new policy would receive the support of the entire staff and of all Member States.

4. Statistics on posts subject to geographical distribution, contained in the report of the Secretary-General on the composition of the Secretariat (A/49/527), were not as discouraging as they had been in 1992: the number of underrepresented or overrepresented States had decreased and the number of States within range had increased. However, the progress achieved was insufficient. As others had already pointed out, the Secretariat could recruit qualified staff from any country, for the principle of diversification should be applied to all posts and not only to those subject to geographical distribution.

5. The report of the Secretary-General on improvement of the status of women in the Secretariat (A/49/587) indicated that scant progress had been achieved. More vigorous and more determined efforts should be made with a view to meeting the targets set regarding the proportion of women at various levels of the Secretariat hierarchy. The 10-point programme of the Joint Inspection Unit (JIU) and the measures outlined in the report of the Secretary-General should be extremely useful in that regard.

6. Bulgaria welcomed the adoption by the Sixth Committee of the draft Convention on the Safety of United Nations and Associated Personnel, which should help to decrease the risks to which many staff members participating in dangerous missions were exposed.

7. Mr. BIRENBAUM (United States of America) welcomed enthusiastically the proposals by the Secretary-General concerning a series of fundamental reforms in the management of the Organization; those relating to human resources management were very promising. The new management of the Department of Administration and Management had rightly taken a holistic and integrated approach in elaborating the overall strategy contained in document A/C.5/49/5. It had not only set goals and proposed specific action, but had even provided performance indicators for each component as a means of gauging the progress achieved.

8. That strategy was adapted to the new culture which should permeate the Organization. The staff member's primary concern should no longer be to respect the rules, and they should not imprison him. It was necessary to hire the best candidates, provide them with the means to act, hold them accountable for their performance, provide them with incentives and reward or sanction them on the basis of clear standards. It was an ambitious strategy, but one whose success would determine the very effectiveness of the Organization in the coming decades.

9. A key element of the new strategy was the planning capacity with which the Office of Human Resources Management must be provided in order to deal proactively with issues of resources and requirements rather than reacting on a day-to-day basis. Beyond that, the employees' relationship with the Organization must be completely reformed. Efforts should focus, in particular, on recruitment and gender balance, training, accountability, the new Performance Appraisal System and career pathing. The introduction of a new management culture would hinge largely on the implementation of the new Performance Appraisal System: performance appraisal must come to be viewed as the indispensable counterpart of empowerment and as a basis for rewarding and sanctioning staff at all levels of the hierarchy without exception.

10. The improvement of the status of women in the Secretariat was an essential aspect of the reforms contemplated. In that connection, it was regrettable that none of the goals set for the fiftieth anniversary of the Organization would be achieved. At the end of 1993, the percentage targets set for the participation of women had been met only at the P-3 level and below. The recommendations of the Joint Inspection Unit could help to accelerate the process, but nothing would replace the resolve which the leadership of the Organization and Member

States must display in that regard. In addition, much remained to be done in order to eliminate sexual harassment. The only solution lay in extremely vigorous action by senior management, including sensitivity training and the strict enforcement of disciplinary measures. A great deal could also be expected from the introduction of the network of Focal Points for Women, whose initiatives in that area would be welcome. There must be no grounds for accusing the United Nations, at the fourth World Conference on Women, of not practising what it preached.

11. As training was one of the essential means of transforming the culture of the Organization, it was deeply disappointing to note from the report of the Secretary-General on staff training (A/49/406) that very little had been earmarked for training, with the exception of computer and language training: $5 million for the biennium or $75 per staff member per year. Greater amounts must be invested in training, if necessary by transferring resources. In evaluating language courses scheduled for 1995, it would also be important to find a way to guarantee that those programmes were of direct benefit to the Organization.

12. His delegation wished to reiterate a number of proposals it had formulated earlier, which would surely contribute to a new management culture. Financial disclosure statements should be required of senior managers and of staff members engaged in contracting and procurement, in order to prevent conflicts of interest or irregularities. The Secretary-General should impose that rule; he already had the authority to do so. Similarly, in revising the code of conduct, he should ensure that it was applied to all officials who received any form of remuneration from the Organization. The Secretary-General should also formulate specific proposals with a view to facilitating the systematic review of management personnel in order to ensure that the higher echelons of the Organization were not weighted down with dead wood.

13. The question of an additional appropriation of approximately $900,000 to finance the implementation of the human resources management strategy should not be prejudged; however, the extent to which those expenses could be financed from existing appropriations should not be overlooked either.

14. The internal system of justice must be reformed with a view to facilitating earlier resolution and achieving greater transparency. In his report on the question (A/C.5/49/13), the Secretary-General proposed measures which might be described as important and constructive and which also enjoyed the support of the staff: replacement of the existing bodies by professional ombudsmen mediation panels and a reconciliation board and the establishment of a disciplinary board. Inevitably, their implementation would be very complicated. His delegation looked forward to receiving information on the institutional, legal and procedural changes involved, to be provided in a report which the Secretary-General would submit to the Committee during the resumed forty-ninth session.

15. The United States delegation also looked forward to the recommendations of ICSC on the amendments to the Staff Rules and Regulations, particularly those related to appointments in the 300 series.

16. The United States believed that there was no need to change the system of desirable ranges which was applied for the representation of Member States (A/49/527, para. 13). More time was required to assess the impact of the current system, which had been in effect only since 1 January 1988 - especially in view of the hiring freeze that had been in place until recently.

17. On the question of respect for the privileges and immunities of officials of the United Nations and the specialized agencies and related organizations, the United States, in concert with all Member States, deplored the increasing level of risk confronting United Nations staff, 18 of whom had been killed in tragic circumstances during the reporting period (A/C.5/49/6). They urged the Secretary-General to redouble his efforts to establish a coordinated system-wide approach to ensure the security of all field staff - particularly locally recruited staff, who had more than ever become targets. The inter-agency meeting which had been convened had been a first step, but concrete measures were still needed. In that connection, the United States supported the draft Convention on the Safety of United Nations and Associated Personnel and expected Member States to take all necessary measures to ensure its implementation.

18. With respect to the travel of United Nations officials in the United States (paras. 11 to 13 of the report), it was important to stress that the provisions governing private travel did not restrict official travel or impede the work of the officials concerned. The United States continued and would continue to honour its obligations as host country and there was no contradiction between those obligations and the right to safeguard its national security. Moreover, the matter should be discussed in the Sixth Committee, which in fact should be the only Committee to consider it, since it was the Sixth Committee which considered the report of the Committee on Relations with the Host Country.

19. The United States was optimistic that the impetus for reform which had been evident in the United Nations would also take hold in the area of human resources management, and it was prepared to work closely with the Secretariat and other Member States to ensure that that happened.

20. Mr. MIHAI (Romania) recalled that more than three quarters of the resources of the United Nations were devoted to personnel costs, hence the importance of the strategy for the management of the human resources of the Organization outlined in the report of the Secretary-General (A/C.5/49/5). If properly implemented, that policy would enhance the efficiency of the Organization through better management and more clearly defined responsibilities. The Romanian delegation was looking forward to the adoption of a more comprehensive career development policy which offered real and fair opportunities for promotion and training and to the introduction of a new performance appraisal system.

21. He welcomed the assurances given by the Secretary-General in paragraph 7 of his report on the composition of the Secretariat (A/49/527) with regard to the principles governing the recruitment and employment of staff. He shared the opinions expressed by other delegations concerning the importance of observing, in particular, the provisions of Articles 7 and 8 of the Charter. In that context, the Romanian delegation attached particular importance to national competitive examinations. While it was aware of the difficulties of arranging such examinations, it would welcome a more flexible approach in scheduling and in reducing the lead-time for filling posts. It hoped that the examination which was due to be held shortly in Romania would permit the recruitment of highly qualified candidates and increase the representation of Romania, which had long been underrepresented in the Secretariat. It considered the desirable ranges formula to be effective in its current form and saw no reason to change it. It was particularly important to ensure a balanced regional and gender representation in the Secretariat.

22. The Romanian delegation shared the concerns expressed by other delegations over the change in the allocation of P-2 posts between candidates from the internal and the external competitive examinations. At the same time, it would also like to see the process of decentralization and the delegation of authority from the Office of Human Resources Management carried out with the greatest care.

23. With respect to the safety of United Nations personnel, the Romanian delegation regretted that a considerable number of staff members had lost their lives in the exercise of their duties. It fully supported the draft Convention on the Safety of United Nations and Associated Personnel and appealed to Member States to consider becoming parties to the Convention.

24. Mr. NKOLOI (Botswana) said that, faced with the rapid and complicated succession of events across the globe, it was absolutely necessary for the Organization to re-energize and modernize the management of its human resources. The delegation of Botswana therefore fully supported the reform package based on transparency, accountability and decentralization. It welcomed, in particular, the proposals concerning delegation of authority, training, the new system of performance appraisal and reform of the internal justice system.

25. According to the report on the improvement of the status of women in the Secretariat (A/49/587), the percentage of women in posts subject to geographical distribution had increased from 31.3 per cent in June 1993 to 32.6 per cent in June 1994. More efforts must be made to achieve a more equitable representation of women.

26. The delegation of Botswana welcomed the proposed training programme which was scheduled to be launched in January 1995, since training was essential to the proper functioning of the Organization in the long run. The recruitment of personnel should be fair and transparent and must be extended to all regions of the world in accordance with the principles enshrined in the Charter. He regretted that, even as the Organization approached its fiftieth anniversary, all Member States were still not equitably represented within the Secretariat.

The delegation of Botswana welcomed the Secretary-General's proposal to conduct a pro-active advertising and campus recruitment campaign in all regions of the world.

27. The reform of the internal justice system was a transparent mechanism for improving discipline through sound working relations between management and staff. His delegation was also heartened by the introduction of the new performance appraisal system as a means of facilitating professional mobility.

28. The delegation of Botswana hoped that the Convention on the Safety of United Nations and Associated Personnel, the draft text of which had been adopted by the Sixth Committee, would ensure that those who wilfully infringed international law were brought to justice. It encouraged other countries to ensure the safety of United Nations messengers of peace.

29. Mr. Chong-Ha YOO (Republic of Korea) said that, in order to ensure the smooth operation of the Organization, it was important to maintain staff morale by ensuring job satisfaction and career development opportunities. He therefore welcomed the initiatives proposed by the Secretary-General in his strategy for the management of the human resources of the Organization (A/C.5/49/5). He shared the Secretary-General's view that the planning, career pathing and performance management capacity of the Office of Human Resources Management should be strengthened. While it was necessary to decentralize administrative tasks, the decentralization of recruitment should be pursued with discretion. In that connection, the idea of using external agencies for the recruitment of personnel was an interesting one provided, however, that the issues of transparency and cost-effectiveness were kept in mind. Efforts should also be made to expedite the dissemination of information on vacancy announcements to Member States, not only through the permanent missions but also through United Nations offices world wide.

30. His delegation welcomed the forthcoming introduction of the new Performance Appraisal System, which was based in particular on joint work planning by managers and staff. It hoped that the new system, the success of which depended in part on a realistic and accurate estimation of each individual's work, would prove successful and would create a work atmosphere which enhanced performance. Expenditures on training programmes should be considered as a necessary investment, and proposals to expand internship programmes and to provide young professionals for non-reimbursable assignments merited close attention.

31. His delegation was in favour of strengthening the role of the Office of the Focal Point. It was important to set up effective communication mechanisms between the Secretariat and Member States to encourage them to present more qualified women candidates.

32. He was pleased to note that recruitment through competitive examinations had become a firmly established practice. He hoped that national competitive examinations would remain the primary recruitment tool for entry-level staff and looked forward to the expansion of those examinations to the P-3 level. Priority should be given to holding competitive examinations in countries which

were unrepresented, underrepresented or below the mid-point of their desirable ranges; candidates from those countries should also be given priority at the P-4 level and above.

33. His delegation endorsed, in principle, the approach of the Secretary-General regarding the reform of the internal justice system. It hoped that United Nations personnel worldwide would be provided with optimal security so that they were no longer subject to violence.

34. Mr. ZAINEL (Qatar) said he hoped that the strategy for the management of the human resources of the Organization (A/C.5/49/5) would be approved by the General Assembly. In that regard, he wished to emphasize that selection of staff must satisfy the criteria of universality, equitable geographical distribution and gender balance while providing the Organization with the competence and expertise it required. In order to create working conditions which encouraged staff to give the best of themselves, it was also necessary to ensure transparency and a coherent personnel policy, in particular with regard to promotion and assignment. An effective performance appraisal system, based on performance and accompanied by rewards and sanctions, was also important.

35. He endorsed measures to increase staff mobility, including the training programme and the secondment mechanism. The reform of the internal justice system proposed by the Secretary-General was intended to facilitate the resolution of disputes and to professionalize the appeals and disciplinary machinery. Finally, his delegation, very much concerned by the acts of violence against United Nations staff, welcomed the adoption by the Sixth Committee of the draft convention on the safety of United Nations and associated personnel.

36. Mr. MAIGA (Mali) said that realization of the aims of the United Nations depended in great part on careful management of its human resources. In order for the United Nations to carry out the new tasks with which it was entrusted, it was essential to provide continuing education and to establish a new recruitment and career-planning policy. He endorsed the measures of decentralization and delegation of authority proposed by the Secretary-General.

37. Noting that women were still inadequately represented in posts subject to geographical distribution, in particular at the D-1 level and above, and stressing the need to respect the principle of equity in distributing posts among regions and countries, he suggested that a greater share of posts should go to African women. That group represented only 2.94 per cent of the women employed by the Secretariat. The issue of recruitment, including the setting up of rosters in cooperation with Member States, and the question of improving salaries and conditions of employment merited further study. The same applied to the question of arbitration and settlement of disputes in the framework of the reform of the internal justice system. The United Nations could properly carry out its work in the area of peace and development only if its staff benefited from adequate security conditions.

AGENDA ITEM 114: UNITED NATIONS COMMON SYSTEM (continued) (A/49/30, A/49/480; A/C.5/49/10, A/C.5/49/7 and A/C.5/49/33)

AGENDA ITEM 115: UNITED NATIONS PENSION SYSTEM (continued) (A/49/9; A/C.5/49/3 and A/C.5/49/7)

38. Mr. TURNQUEST (Bahamas), speaking on behalf of the Caribbean Community and Suriname, said that as in the past, the International Civil Service Commission (ICSC) would no doubt be able to provide sound guidance to the General Assembly on the decisions it would have to make with regard to salaries and conditions of employment for staff. While finding the recommendations and decisions of the Commission contained in its 1994 report (A/49/30) to be satisfactory, he regretted that the Federation of International Civil Servants' Associations (FICSA) had once again decided to suspend its participation in the Commission work. He hoped that dialogue would be resumed and that the ICSC Chairman would carry out whatever consultations were needed to ensure that in future the full spectrum of views was reflected in the Commission's annual report. He regretted that ICSC had not yet completed its studies on the application of the Noblemaire principle and accepted that the Commission, by presenting its report in 1995 at the latest, would be benefiting from a waiver to the biennalization rules concerning the programme of work of the Fifth Committee. He endorsed the ICSC recommendations regarding base/floor salary scale and dependency rate salaries.

39. He also endorsed the new criteria recommended by ICSC for the employment of national professional officers (A/49/30, annex VI). He took note of the Commission's recommendations on appointments of limited duration and hoped, in view of the increasing use of such appointments and the concerns to which they gave rise among Member States, that a full study of them would be made in 1995, in particular of the problem of security for staff in that category.

40. He noted with satisfaction that the guidelines for performance appraisal and management (A/49/30, annex VIII) struck a necessary balance between sanctions and rewards and granted an important place to training, performance appraisal being considered as only one aspect of an entire package. He hoped that the guidelines would gain widespread support throughout the common system.

41. In his view, the Secretary-General's recommendations, contained in his report on decisions of Administrative Tribunals (A/49/480), did not fully address the concerns expressed by the General Assembly in section VI of its resolution 48/224 and, consequently, he hoped that the matter might be reconsidered.

42. Mr. CHINVANNO (Thailand) said that the United Nations needed well-trained, highly motivated staff, which implied fair remuneration and conditions of service. He supported the Commission's recommendation that the base/floor salary scale for the Professional and higher categories of staff should be increased by 4.1 per cent through consolidation of post adjustment, with effect from 1 March 1995. He noted, however, that that increase was smaller than the adjustment suggested by the Consultative Committee on Administrative Questions

(CCAQ). He also endorsed the Commission's proposals regarding dependency allowances, education grants and hazard pay.

43. Noting the concerns expressed by the Administrative Committee on Coordination (ACC) in document A/C.5/49/10, his delegation urged the Commission to finalize the studies on the application of the Noblemaire principle requested in the General Assembly resolution 47/216. It was greatly concerned at the non-competitiveness of the United Nations common system, which explained the problems in recruiting and retaining staff. While it was impossible to determine how many potential candidates were discouraged from applying for a post by the inadequacy of the salary, CCAQ had nevertheless concluded in its review of the question that the United Nations system was failing to attract enough qualified applicants. It was absolutely necessary for the United Nations to offer competitive salaries.

44. Turning to the remuneration of the General Service and other locally recruited categories, he noted that the Commission had embarked on a new round of surveys of the best prevailing conditions of employment. He was concerned that staff at some duty stations had refused to participate in those efforts. Regarding the threats of FICSA not to participate in the Commission's work, he urged the two parties to re-establish constructive dialogue. He reaffirmed his delegation's support for the United Nations common system.

45. Mr. ORLOV (Russian Federation) said that, by and large, his delegation supported the Commission's approach to studying the application of the Noblemaire principle. In that connection, it noted that the Commission had decided to separate phase II of the highest-paid civil service study from the collection of reference data on other international organizations. The objective of the Noblemaire principle was not to ensure that United Nations staff enjoyed the world's highest salaries but to enable international organizations to have every member State represented in their secretariats.

46. His delegation was not opposed to comparing United Nations salaries with those of other international organizations, which were by definition its competitors. However, such comparisons should be based on all elements of the conditions of employment, not just salary, and they should be guided by the Flemming principle rather than the Noblemaire principle.

47. His delegation understood the objective reasons that had prevented the Commission from concluding its study on alternative comparators. Given the complexity of the issues involved, it did not see any point in rushing that study in order to submit the results in 1995 instead of 1996, as scheduled. Furthermore, judging from paragraph 160 of the Commission's report, the recruitment problems did not seem to be insurmountable, especially since the expected pay increase in the United States federal civil service would help to solve some of the difficulties reported.

48. With respect to the remuneration margin between the United Nations and the United States federal civil service, his delegation had always said that it would be desirable to maintain the average margin over a five-year period around

the mid-point of 15 per cent, as recommended by the Commission in paragraph 79 (f) of its report. In any case, as long as the Federal Employees Pay Comparability Act had not come fully into force, which would not occur until 2002, and the same comparator service continued to be used, there was no reason to change that rule.

49. While it did not object to the proposed increase in the base/floor salary scale, his delegation did oppose any rigid linkage between the scale and the level of the mobility and hardship allowance.

50. His delegation supported the Commission's efforts to introduce a performance appraisal system that more accurately reflected actual performance. It shared the view expressed by the Commission in paragraph 320 of its report that, while nominally performance-based, the current pay structure was in practice seniority-driven. That fact should be borne in mind in considering the inclusion of the comparator's new pay systems in comparisons for margin calculation purposes.

51. His delegation also agreed with the Commission's decisions concerning National Professional Officers and the methodologies for surveys to determine the conditions of employment of the General Service and other related categories. However, it had reservations regarding the recommendations on the adjustment of the education grant, as a different approach had been used with respect to the one adopted for the previous adjustment. It could not, for instance, approve the increases recommended for the United States and the United Kingdom, and it opposed the increase in the ceiling on boarding costs as well. With regard to dependency allowances, it would like to know on which specific data the Commission's recommendations were based and why Italy, Spain, Sweden and the United Kingdom were included in the list of countries where the payments in question would be made in United States dollars.

52. Lastly, his delegation considered that the Commission's decisions on the ad hoc measures for the Rome post adjustment were in strict compliance with article 11 (c) of its statute. On a more general note, it wished to reiterate its support for the Commission and regretted the position taken by FICSA and the staff associations at certain duty stations, which it considered contrary to the interests of the staff.

53. Mr. HANSON (Canada), speaking also on behalf of Australia and New Zealand, said that, in general, their delegations endorsed the recommendations of the Advisory Committee on Administrative and Budgetary Questions (A/49/576) and the Board of Auditors with regard to the report of the United Nations Joint Staff Pension Board. They were pleased that, as requested by the Technical Group of the Panel of External Auditors, the results of the Fund's actuarial assessments were expressed both in dollars and as a percentage of total pensionable remuneration, and were accompanied by further information. The report of the Pension Board also provided information on the extent to which the Fund's assets were sufficient to meet its obligations under article 26 of its Regulations, as well as on the actuarial status of the Fund as at 31 December 1993. With respect to the Fund's investments, the investment reports merely stated the rate

of return without comparing it to that of other joint pension funds. In order better to evaluate the performance of the Fund's investments, such a comparison should be systematically included in the reports. Indeed, a preliminary study had been carried out on the possibility of establishing benchmarks for that purpose. In any event, the comparative data in the ACABQ report was insufficient.

54. It was gratifying to note that the new custodial arrangements, which involved diversifying the number of custodians, would enhance the safety of the Fund's assets and would result in savings in custodial costs amounting to $1 million in 1994. It would be necessary, however, to monitor closely the implementation of the new arrangements and indicate in the next report the savings actually made, comparing the custodial services costs with those of other similar pension funds. It would perhaps be advisable, as some members of the Pension Board had suggested, to enlist the services of more than one investment adviser.

55. Given the scope of the Fund's operations, provision should be made for periodic internal audits, responsibility for which might be entrusted either to the Office of Internal Oversight Services or to a mechanism specially established for that purpose. The three delegations endorsed the recommendation to that effect made by the Board of Auditors and supported the Advisory Committee's request that the Pension Board should provide a statement of the financial implications of each of the proposed options in the context of the budget proposal for the biennium 1996-1997.

56. In order to resolve the problem of the overpayment of benefits, referred to in paragraphs 30 to 41 of the report of the Board of Auditors, widows and widowers should be required, as the Board of Auditors had recommended, to submit notarized statements every two years to the effect that they had not remarried. Since such a measure would have a dissuasive effect, it would be desirable for the Administration, which had rejected that recommendation, to review its position. Furthermore, the Fund's financial statements should comply fully with all the United Nations System Accounting Standards, particularly in regard to the areas referred to in paragraph 29 of the report of the Board of Auditors.

57. Regarding the common system, the decisive role of the International Civil Service Commission (ICSC) in the current reform of human resources management could not be overemphasized. It must, however, be seen to be an independent and neutral body and must enjoy the confidence of all. It was regrettable in that regard that FICSA had decided to withdraw from the work of ICSC, and equally regrettable that some statements before the Fifth Committee had taken a polemic turn. One of the most sensitive issues was clearly that of the methodology for determining General Service salaries. Some aspects of the methodology had been disputed by staff associations and they should be re-examined by ICSC before its next session. The three delegations appealed to all parties to accept the survey methodology on its technical merits, it being understood that the actual results in any given year might not meet all expectations.

58. It was hoped that when the Commission reviewed the methodology once the current round of surveys had been completed, it would compare the General Service salaries to the average local market salary at each duty station in order to determine whether the current system was appropriate. For example, it appeared that General Service salaries in New York were well above the benchmark of 75 per cent of the market established by the Flemming principle.

59. Mr. ELZIMAITY (Egypt) said that the United Nations common system would continue to function smoothly if participating organizations adhered strictly to established rules and procedures. He saw that as the sole guarantee that the conditions of service of staff would continue to be fair and equitable. United Nations salary scales must be competitive in comparison to those of other international organizations. He therefore regretted that ICSC had not completed the study on the highest paid civil service and the review of the application of the Noblemaire principle as requested by the General Assembly in resolution 47/216. He urged ICSC to expedite its work so that the Fifth Committee could decide on the measures to be taken.

60. While he supported ICSC's recommendation concerning the education grant and endorsed the use of the differentiated approach, he noted that the current system, based on reimbursement of 75 per cent of the expenditures actually incurred up to the first level of tertiary education, differed from that of the comparator civil service, which provided for reimbursement of 100 per cent of expenditures for primary and secondary education. He would like a comparative study to be made of the costs of the two approaches.

61. His delegation also supported the proposed adjustment of the base/floor salary scale for the Professional and higher categories of staff. It had serious reservations, however, about the increasing number of appointments of limited duration (300 series of the Staff Rules), even though that kind of appointment had the merit of expediting recruitment. His delegation looked forward to the detailed study that ICSC would be submitting to the Fifth Committee on the subject. With regard to the more general question of the functioning of ICSC, his delegation stressed the need for all parties to pursue an open-minded and constructive dialogue.

62. Regarding the United Nations pension system, he said that pension systems in many countries were currently being subjected to detailed review. In that context, he considered, like ACABQ, that it was important to monitor the actuarial imbalance of the Pension Fund to ensure the long-term viability of United Nations pensions.

63. Mr. DROZDOV (Ukraine) said that his delegation had taken note with satisfaction of ICSC's recommendations concerning human resources management, in particular the introduction of an objective, realistic and results-based performance appraisal system, which would be one of the key components of management reform.

64. His delegation had carefully studied ICSC's recommendations concerning arrangements for appointments of limited duration that were based on a scheme of

appointments applied by UNDP on a pilot basis for activities of limited duration. It was an interesting approach that should be analysed in depth before the next session of the General Assembly.

65. It was regrettable that the ICSC report did not address the question of the determination of salaries of staff members at Geneva which, as had been requested on several occasions, should be adjusted to take account of the effective expenses of staff members living in France.

66. His delegation shared the concerns expressed by the Administrative Committee on Coordination (ACC) concerning the uncompetitive nature of conditions of service of United Nations staff, a problem which had repercussions on recruitment. Like ACC, it regretted ICSC's failure to take action in that regard and urged it to complete the studies which the General Assembly had requested it to carry out in resolution 47/216, so that the necessary measures could be taken on that basis to guarantee the effective functioning of the common system as a whole.

67. His delegation considered that the upward adjustment of the base/floor salary scale to take effect as of 1 March 1995 should not result in any increase in expenditure for Member States.

68. The measures concerning the common system should take account of the recommendations of the Joint Inspection Unit to improve the conditions of service of women in the Secretariat; women's participation should also be subject to broader geographical distribution, in particular by recruiting women from the newly independent States for professional posts.

69. The safety and security of staff members was another important point. His delegation welcomed the adoption by the Sixth Committee of the draft convention on that question and hoped that it would lead to specific measures to minimize the loss of human lives.

70. Regarding the pension system, his delegation took note of ICSC's decisions concerning some of the factors taken into account in calculating pensionable remuneration and of ACABQ's report on the United Nations pension system (A/49/576). It was to be hoped that the measures taken by the General Assembly between 1983 and 1990 would help to restore the actuarial balance of the Pension Fund.

The meeting rose at 12.25 p.m.

UNITED NATIONS

General Assembly

FORTY-NINTH SESSION

Official Records

FIFTH COMMITTEE
24th meeting
held on
Monday, 28 November 1994
at 10 a.m.
New York

SUMMARY RECORD OF THE 24th MEETING

Chairman: Mr. TEIRLINCK (Belgium)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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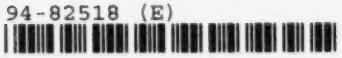

The meeting was called to order at 10.25 a.m.

AGENDA ITEM 113: HUMAN RESOURCES MANAGEMENT (continued) (A/49/176 and Add.1, A/49/219 and Add.1, A/49/406, A/49/445, A/49/527, A/49/564 and A/49/587; A/C.5/48/37 and Add.1 and A/C.5/48/45; A/C.5/49/5, A/C.5/49/6 and Corr.1 and Add.1, A/C.5/49/13, A/C.5/49/14 and A/C.5/49/32)

1. Mrs. von BOCK und POLACH (Germany), speaking on behalf of the European Union, said that the question of respect for the privileges and immunities of United Nations officials was of such importance that it should not be biennialized. The privileges and immunities of United Nations officials were dealt with in the Charter and the 1946 Convention on the Privileges and Immunities of the United Nations. Those rights had been accorded not on a personal basis but in the interests of the Organization, and failure to respect them constituted a major obstacle to the implementation of the tasks assigned to the United Nations system by Member States.

2. Notwithstanding acceptance by all States of General Assembly resolution 47/28, since its adoption a substantial number of staff members had been killed without any of those responsible being brought to justice. The European Union recognized the importance of ensuring the personal safety of United Nations staff working in increasingly hostile and precarious conditions throughout the world and deplored the continued instances of detention and abduction. It appealed to the Governments concerned to cease their violations of the privileges and immunities of international officials. The situation of the staff of peace-keeping and humanitarian missions gave particular cause for concern. In time of crisis, locally recruited staff should benefit from the same protection as international officials.

3. Mr. SILALAHI (Indonesia) said that the United Nations, which was the repository of the world's trust and faced challenges more formidable than ever, was beset by an unprecedented financial crisis compounded by an inadequate management culture.

4. The success of the United Nations depended on the quality of its staff, who should be recruited in accordance with Article 101 of the Charter. In that connection, notwithstanding the system of desirable ranges, 25 Member States, including Indonesia, were still underrepresented. He trusted that the concerns of the underrepresented countries would be taken fully into account.

5. His delegation congratulated the Secretariat on its efforts to increase the percentage of women employed in the Secretariat, but noted that they still constituted less than 30 per cent of senior level staff. The goal of an overall fifty-fifty balance by the end of 1995 remained distant. Efforts to increase the number of women, particularly in senior positions, throughout the system, should therefore be intensified.

6. Human resources management could only be assured through the provision of adequate financial resources. Moreover, at a time of rapid and fundamental

change, the staff must be responsive to the demands of the international community. In that connection, he welcomed the proposals relating to the implementation of a modern human resources management system, including training, career planning and the new performance appraisal system. Decentralization and the delegation of authority would also strengthen the system.

7. The need to ensure the security and safety of United Nations personnel was more urgent than ever in view of the expansion of peace-keeping and humanitarian missions. His delegation welcomed the draft convention on the safety of United Nations and associated personnel, in the belief that all possible measures should be taken to protect all staff members participating in missions, particularly in high-risk areas.

8. Mr. MORCZYNSKI (Poland) said that, as the United Nations approached its fiftieth anniversary, multilateralism had become the key tool in shaping international relations. The performance of the United Nations had been crucial in that regard. Whether the United Nations would be able to live up to the increased expectations of its Member States depended on the quality of its personnel, starting from the top, and on the implementation of a new management culture which would reflect current and future priorities. His delegation accordingly welcomed the new approach outlined by the Assistant Secretary-General for Human Resources Management.

9. The new emphasis on the decentralization of functions to programme managers, which would allow the Office of Human Resources Management (OHRM) to concentrate on policy issues, was welcome. The new performance appraisal system should allow the staff to be fully productive while enjoying satisfying careers; the introduction of the system on a pilot basis was an approach that should be followed in the case of other managerial structures.

10. With regard to recruitment, the efforts of Member States to provide the Organization with suitable candidates should be closely related to the work of OHRM in identifying the Organization's needs. National competitive examinations and secondment offered ways to enrich the Organization. Appropriate procedures should be established to facilitate secondments both in and out of the Organization.

11. While training had been the focus of attention for some time, the report on staff training (A/49/406) suggested that the system had just begun to work. Expenditure on training in priority areas should be regarded as an investment rather than a cost.

12. Remuneration and conditions of service were matters of concern both to the staff and to the majority of Member States. The United Nations was losing its competitiveness and salary levels often did not correspond to the workload and complexity attaching to posts. The introduction of the new system of responsibility and accountability should permit a review of salary levels, equal attention being paid to the needs of Professional and General Service staff.

13. His delegation urged all States to adopt the draft convention on the safety of United Nations and associated personnel at the current session. It was unacceptable for the Organization not to guarantee the safety of staff performing mandated tasks.

14. Despite the progress that had been made in the representation of women in the Secretariat, the situation at the D-1 level and above remained unsatisfactory. His delegation supported the views of the Joint Inspection Unit in that regard. One solution might be for national recruitment services to identify qualified women and to submit candidacies to the Organization. Also with regard to the composition of the Secretariat, his delegation believed that, while primary attention should be given to the criteria of competence and efficiency, due weight should also be given to equitable geographical representation. Other criteria, such as the level of commitment of a Member State to peace-keeping operations, should also be considered in the staffing of peace-keeping and other field missions.

AGENDA ITEM 108: PROGRAMME PLANNING (continued) (A/49/6, A/49/16 (Parts I and II), A/49/99 and Add.1, A/49/135 and Add.1, A/49/301 and A/49/310; A/C.5/49/27 and Add.1; E/1994/4 and E/1994/19)

15. Mr. KURIEN (India) agreed with the majority of delegations that the current format of the medium-term plan did not facilitate the attainment of the targets set in various legislative mandates. There was thus a need to devise a concise document focused on objectives and the means of achieving them. Accordingly, he welcomed the prototype of a new format of the medium-term plan, which provided an excellent basis for discussion. He also welcomed the division of the plan into a perspective and a programme framework, and agreed that programmes should be along sectoral lines with some congruence between the programmatic and organizational structures so as to enhance accountability for programme delivery. The plan should cover a four-year period.

16. In formulating the perspective, a proper balance must be maintained between current and future problems. The formulation of the plan should thus be an interactive process between Member States and the Secretary-General so that it could accurately reflect the objectives of the Organization and gain the support of Member States. The perspective portion of the plan should also indicate broad areas of priority, again maintaining an appropriate balance between them. The proposed establishment of a greater degree of synchronization between the medium-term plan and biennial budgets was also welcome.

17. Activities mandated by the General Assembly must find their proper place in the medium-term plan; the cost-benefit relationship could not be the sole criterion in programme planning and delivery. It should be borne in mind that the United Nations was not a private corporation counting its success in terms of profit and loss, but an organization that existed for the greater good of mankind. He therefore trusted that the programmatic content of the medium-term plan would be guided by the legislative mandates and priorities laid down by Member States, on the understanding that programmes should not be excluded even though they might not reach fruition within the four-year time span.

18. On the contentious issue of programme 35, he said that the Vienna Declaration on Human Rights was the most comprehensive expression of concern to date in that area. The translation of that legislative authority into programmes was a difficult task demanding the utmost care. It was particularly important for the various aspects to be addressed in a balanced and cogent manner. His delegation was committed to the promotion of all aspects of human rights and to the allocation of the resources needed for that purpose provided that that did not affect resources for development activities. In particular, his delegation supported an increase in the technical assistance services provided by the Centre for Human Rights, on the understanding that such services were drawn from all regions. Given the understanding reached at Vienna that organs dealing with human rights should be kept apart from those dealing with peace and security, it would not be possible for India to support any aspect of the medium-term plan that might encourage such links, which would only progressively undermine the authority of intergovernmental bodies dealing with human rights.

19. His delegation was amazed that all six subprogrammes of programme 35 dealt only with political and civil rights. A new subprogramme on the right to development should be added, dealing with national and international obligations, and consideration should be given to a permanent mechanism for the implementation of that right. Any indicators developed in that connection should reflect the concerns of all countries and regions. He emphasized that all resources for all aspects of peace-keeping should come from the peace-keeping budget. Peace-keeping missions benefited particular countries, rather than all developing countries.

20. His delegation could also not support human rights monitoring by United Nations organs which did not have a clear mandate in that area. Since most United Nations offices were in developing countries, such activities would focus on the developing world and be inherently discriminatory, besides violating the sovereignty of States. Programme 35 should therefore be rewritten, taking into account the views of all States, as well as the failure of the Third Committee to reach a consensus thereon.

21. Mr. DAMICO (Brazil) said that his delegation attached great importance to all phases of the United Nations budget cycle, including monitoring and evaluation. In the case of programme planning, discussion of the medium-term plan provided Member States with an opportunity to consolidate mandates emanating from different legislative sources and to learn in advance from the Secretariat how such mandates would be interpreted and implemented. Thus, as the Secretary-General had noted the previous year, programme planning activities were a useful tool for enhancing the democratic character of the Organization and ensuring the effectiveness of the Secretariat.

22. However, he shared some of the concerns which had been expressed with regard to the medium-term plan. Most of the shortcomings that had been pointed out would be resolved by the proposed transformation of the plan's introductory section into a dynamic and analytical policy document, to be known as the "perspective". The strengthened medium-term plan would provide a balance

between the long-term goals set forth in the perspective section and the short-term goals outlined in the programme mandates. It would thus be possible to set overall policy without losing sight of current mandates. It should be borne in mind that, regardless of the content of the medium-term plan, the Organization's final course of action would be determined through intergovernmental dialogue.

23. With regard to other proposed improvements to the medium-term plan, his delegation shared the view that the plan document should be as long as was needed to provide appropriate coverage for the issues addressed. The promotion of greater congruence between the plan and the Secretariat units entrusted with its implementation would ensure greater accountability. There was, however, a risk that the plan might need constant revision to keep up with changes in the Secretariat structure. In that connection, he shared the view of the Committee for Programme and Coordination (CPC) that the examples provided in the report of the Secretary-General (A/49/301) should be used for illustrative purposes only. He also agreed with CPC that the programme narratives should include the relevant legislative mandates.

24. His delegation endorsed the conclusions and recommendations of CPC concerning revisions to the medium-term plan. In that connection, it noted that 9 of the 23 programmes submitted for the consideration of Member States had been approved without modification. That attested to the excellent work done by the Secretariat. Member States had seen fit to contribute their views on several programmes falling within the purview of the Second and Third Committees. That practice was useful and the Chairmen of those Committees should be so informed.

25. His delegation fully endorsed the views of the Chairman of the Group of 77, as set out in the appendix to document A/C.5/49/27, on programme 11, Overall issues and policies including coordination, programme 12, Global development issues and policies, and programme 21, Public administration and finance. The views of the Third Committee on those matters would be welcome.

26. His Government was eager to participate in informal consultations on programme planning with a view to reaching a consensus resolution.

27. Ms. PENA (Mexico) said that her delegation endorsed the recommendations of CPC concerning the proposed revisions to the medium-term plan. CPC had not, however, been able to make recommendations on a considerable number of proposed programme revisions because the revisions had not yet been submitted to the corresponding sectoral or functional bodies. For that reason, CPC had considered it appropriate to seek the views of the Main Committees on the proposed revisions before they were considered by the Fifth Committee.

28. Her delegation had taken note of the letters submitted in that connection by the Chairmen of the Second, Fourth and Sixth Committees (A/C.5/49/27). It was a matter of concern that, in revising the medium-term plan, consideration had not been given to the legislative mandates supporting the proposed revisions and the intergovernmental bodies concerned had not been consulted.

29. Her delegation had commented elsewhere on some of the proposed revisions. It trusted that its observations with regard to programme 35, Protection and promotion of human rights, would be reflected in the revision. It wished also to emphasize the lack of correspondence between the text proposed for programme 35 and the Vienna Declaration and Programme of Action.

30. In general, it would have been easier for the Fifth Committee if the Main Committees had formulated agreed recommendations on the proposed revisions. The submission of individual positions in some cases had made the Committee's work more difficult. In any event, any revisions to the medium-term plan had to be in accordance with aims which were acceptable to all Member States.

31. According to document A/49/135, programme performance for the biennium 1992-1993 had unfortunately been marked by low performance indices, in particular with regard to development programmes. Those figures were the result of the restructuring process itself and the need to formulate new mandates. It was to be hoped that, once restructuring had reached the consolidation stage, performance indices would increase well beyond the current level of 70 per cent.

32. The proposed budget outline for the biennium 1996-1997, contained in document A/49/310, raised a number of issues. The Charter of the United Nations and General Assembly resolution 45/253 acknowledged the aims and priorities of the Organization. It was unfortunate, therefore, that certain functional activities were being accorded the same weight as substantive activities. While her delegation considered internal oversight services to be important, it was concerned that strengthening the budget for those services, as had been proposed, might make it difficult to ensure the necessary financing for the growing number of substantive activities.

33. In her view, budgetary estimates should be based on a fundamental premise: all the agreed programme activities must be accorded adequate financing for their implementation.

34. Generally speaking, her delegation endorsed the conclusions and recommendations of CPC concerning the proposed new format for the medium-term plan. However, if the Fifth Committee was to study the matter in full, it would need a comprehensive and detailed report from the Advisory Committee on Administrative and Budgetary Questions (ACABQ) on the proposed format, which could subsequently serve as a policy guide for the United Nations. The document should be considered again by the Fifth Committee at its resumed session.

35. As presented, the prototype for the new format appeared to reflect emerging trends but failed to deal with recurrent problems. Thus, as recommended by CPC, the perspective section should strive to achieve a balance between new trends and persistent problems. The programme framework section should include only those activities emanating from intergovernmental mandates, the legislative mandate for which should be clearly identified.

36. While it was true that the annexes to the report on a prototype for the new format (A/49/301) were purely illustrative, they failed to include any reference

to the role of the High Commissioner for Human Rights. Moreover, the text did not clarify how joint responsibility for a programme activity would be handled. It was important to devise a way to coordinate the efforts of organs which shared the responsibility for a programme.

AGENDA ITEM 105: REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS (continued) (A/49/16 (Parts I and II), A/49/34, A/49/98 and Corr.1 and Add.1-2, A/49/310, A/49/336, A/49/418, A/49/423, A/49/449, A/49/471 and Corr.1, A/49/560 and A/49/632; A/C.5/49/1 and A/C.5/49/28 and Add.1)

37. Mr. RANDRIAMALALA (Madagascar) said that the end of the cold war had opened up new and promising horizons for the United Nations. The time was ripe for a comprehensive reform of the system; with the help of new technologies, the Organization must adopt an entirely new way of functioning.

38. An efficient administration was the key to such reform. The core of every administration was its staff members, who must be competent in action and innovative in spirit. In return, staff needed job security and fair remuneration. Training programmes were also important to help the staff to meet new challenges as the work of the United Nations evolved.

39. The budget was another essential part of administrative functioning and should correspond to the programmes decided upon by the General Assembly. As for the restructuring of the Secretariat, an attempt should be made to harmonize the various sectors, while providing clearly delineated mandates and avoiding duplication of efforts. The functioning of United Nations bodies and organs should be simplified and the number and length of reports and resolutions should be reduced as much as possible. The length of statements made by delegations should also be limited. In that connection, he referred to a suggestion that had been made regarding the installation of equipment to time the length of statements and said that, before any move was made in that direction, a cost-effectiveness study should be carried out.

40. His delegation shared the view of the Secretary-General that the restructuring of the Secretariat was an ongoing process alternating between reform and consolidation. Changes must be instituted, however, or the Organization might not be ready to respond to new challenges. He also agreed that the restructuring of the Secretariat should be accompanied by the restructuring of intergovernmental organs. It was important that the process of restructuring must not have an adverse impact on any programmes, in particular those designed for developing countries.

41. With regard to internal monitoring, he welcomed the appointment of the new Assistant Secretary-General for Internal Oversight Services. During its brief existence, the Office for Inspections and Investigations (OII) had called attention to deficiencies, waste and mismanagement; in general, his delegation endorsed its recommendations contained in document A/49/449. The Office of Internal Oversight Services, which had assumed the functions of OII, must be provided with the necessary resources as rapidly as possible. Regulations and

procedures should be introduced where necessary, and sanctions should be established to cover all possible offences. If the Office was to be effective, it was essential to develop an efficient and transparent system of accountability and responsibility and to promote a new "management culture". United Nations personnel must respect the Organization's policies, rules and regulations.

42. His delegation would appreciate further information on two pending matters. First, referring to the treasury loss of $4 million in Somalia in April 1994, he asked what measures had been taken with regard to those responsible and what had been done to prevent a recurrence. Second, on the question of the automatic turnstiles which had been installed, at Headquarters at considerable expense, and which had apparently never functioned, his delegation also wished to know what measures had been taken with regard to those responsible. It hoped that the United Nations was not becoming a testing ground for untried new technology.

43. His delegation encouraged the Office of Internal Oversight Services to increase its inspections so that the Organization's resources would not be wasted or used for purposes other than those intended. In that connection, it was essential that the relevant General Assembly resolutions and the recommendations of the Joint Inspection Unit (JIU) and the Board of Auditors should be implemented and that United Nations regulations should be respected.

44. His delegation favoured the establishment of a system which would provide rewards for exceptional performance and sanctions for ineffective staff. It endorsed the recommendations in that connection made by the Joint Inspection Unit in document A/49/219. The recommendations contained in the report of the Secretary-General on the Implementation of the recommendations of JIU (A/49/632) required further study. As for the views of the Board of Auditors, as set forth in document A/49/471, he felt that they needed to be further developed.

45. Ms. ROTHEISER (Austria) said that, as the Secretary-General had the overall responsibility for the organization of the Secretariat, her Government had always extended its full cooperation to him in his efforts to restructure the Secretariat. In that connection, she greatly appreciated the Secretary-General's commitment to a dialogue with Member States about the reform process.

46. The restructuring of the Secretariat had involved the transfer of a sizeable number of staff, a process which had been hampered in part by the lack of sufficient office space. The availability of office space should be a priority element in future restructuring efforts. In her delegation's view, the most efficient solution would be to make full use of existing office space instead of paying high prices for additional space. In that connection, she would appreciate information about office space available at the main duty stations, the cost of such space and predictions about future developments in that area. Her delegation hoped that the Secretary-General would keep those considerations in mind when preparing the budget proposals for the biennium 1996-1997.

47. In its resolution 48/228, the General Assembly had requested the Secretary-General to identify activities that would benefit from relocation to Vienna and had urged him to submit adequate proposals no later than at the forty-ninth session of the General Assembly. She appreciated the Secretary-General's statement that the matter remained under active consideration and hoped that proposals in that regard would be submitted within the stated time-limit. She pointed out that relocation of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) would leave free an entire complex in Vienna which her Government had been providing to the United Nations virtually rent free. Austria would be glad to continue discussing with the Secretariat the question of relocating activities to Vienna.

48. Her delegation welcomed the Secretary-General's proposal regarding the establishment of unified conference services at Vienna under the responsibility of the United Nations since it represented the most efficient and cost-effective solution for Member States.

AGENDA ITEM 114: UNITED NATIONS COMMON SYSTEM (continued) (A/49/30 and A/49/480; A/C.5/49/7, A/C.5/49/10 and A/C.5/49/33)

AGENDA ITEM 115: UNITED NATIONS PENSION SYSTEM (continued) (A/49/9 and A/49/57; A/C.5/49/3 and A.C.5/49/7)

49. Mr. STÖCKL (Germany), speaking on behalf of the European Union and Austria, said that they recognized the importance of the tasks performed by the International Civil Service Commission (ICSC) and the United Nations Joint Staff Pension Board and wished to reaffirm the fundamental importance of the common system, which was a cornerstone of the coordination of the United Nations system as a whole. All the organizations concerned had voluntarily accepted the common system and the ICSC statute; they must also accept the corresponding obligations. Secretariats should consistently consult the common system bodies before submitting proposals relating to staff conditions of service to any governmental body of their own. In particular, the governing bodies of the Food and Agriculture Organization of the United Nations (FAO), the International Telecommunication Union (ITU) and the International Labour Organization (ILO) should respect their obligations to the common system. The recent decision of ILO to grant promotion based on length of service was a particular cause for concern.

50. With regard to the report of the Secretary-General on decisions of Administrative Tribunals (A/49/480), ICSC must be allowed not only to provide information to Administrative Tribunals in cases involving appeals against decisions taken on the basis of ICSC action but also to comment on the application of its recommendations by the administrations of the common system. It should have the same rights with respect to the United Nations Joint Staff Pension Fund.

51. On matters concerning the common system, the ICSC rules of procedure were based on the expectation that staff representatives and administrations should, as far as possible, express a common view. The principle that the Commission

should not seek or receive instructions from Governments, organizations or staff associations must be constantly borne in mind, but the rules of procedure did provide for consultations among the parties. The statements made in the Committee concerning the functioning and the legitimacy of the Commission had been noted. While the Commission was responsible for its relations with staff representatives, it was a technical body whose responsibilities were clearly defined by its statute. It was regrettable that the Federation of International Civil Servants' Associations (FICSA) should once again be contemplating suspending its participation in the work of the Commission.

52. As for the remuneration and conditions of service of the staff, the European Union and Austria were ready to consider any evidence of recruitment and retention difficulties in the organizations. Such evidence had not yet been provided. Retention of staff was determined by the overall conditions of service and not merely by the salary scale. The staff of the United Nations were an important asset, and 79 per cent of the Organization's financial resources were allocated to staff costs. However, the overall costs of international organizations must remain affordable, and an appropriate balance must be struck between staff and other costs. Member States must promote the competitivity of employment in the United Nations and guarantee the integrity of the common system. Policy improvements were required, in particular with regard to performance appraisal and personnel management.

53. It was regrettable that ICSC had not been able to present the results of its study on the identification of the highest-paid civil service at the current session of the General Assembly. The Commission had decided to collect information on the World Bank and the Organization for Economic Cooperation and Development (OECD) for reference purposes, even though there were substantial differences in the modes of financing of the three international civil services mentioned by the Administrative Committee on Coordination (ACC). In its study the Commission must take into account the universality and uniqueness of the United Nations, as well as factors such as job security which were not part of the pay system.

54. The European Union and Austria would support the Commission's proposal for an increase in the base/floor salary scale and its recommendations with regard to dependency allowances for staff in the Professional and higher categories and the education grant. They shared its view that hazard pay provided some compensation to staff serving in dangerous conditions and would welcome an explanation of the linkage of hazard pay to the base/floor salary scale and of the proposed increase. It might not be appropriate to include the special pay systems of the comparator in the salary and margin calculations; that would produce an across-the-board increase without addressing the recruitment and retention problems which such systems were designed to resolve. The new performance appraisal system for the United Nations Secretariat was welcome, and the Commission's work in that area should be taken into account by all the organizations. The Committee should bear in mind the decision of the General Assembly in resolution 47/216 II G to revert to the conditions of service of staff at the assistant-secretary-general, under-secretary-general and equivalent

levels at the earliest possible opportunity. Any review should include the conditions of service of elected officials in the common system.

55. The organizations, their staffs and ICSC itself all supported the Flemming principle, which required that General Service salaries should be based on the best prevailing local conditions and private-sector comparators. However, the application of the General Service survey methodology agreed by the Commission and endorsed in resolution 47/216 III was a matter of concern to the staff. The Commission should examine the proposals put forward by the staff representatives at its latest session and carry out further reviews, with staff participation, at every headquarters duty stations. Any negative results of the process that might occur must also be accepted.

56. The European Union and Austria noted the positive judgement on the actuarial sufficiency of the Joint Staff Pension Fund even though on one central measure of actuarial sufficiency the position had deteriorated slightly since the 1990 valuation. The Fund and its investments would have to be monitored and managed very carefully over the coming years. He therefore welcomed the fact that the changes recommended by the United Nations Joint Staff Pension Board were almost neutral in their impact on the actuarial valuation. It was difficult to evaluate the Fund's performance since most of the investments were made outside North America and not in dollars. Most of the States members of the European Union had granted tax exemption status to such investments, and global indices now provided some comparisons for assessment of their performance. The Secretary-General and his representative for the investments of the Fund must continue to take all necessary steps within the established criteria to achieve the optimum return on the investments. Proposals on how to enhance the Fund's performance would be welcome. In any event, the interests of the participants must remain paramount.

57. Mr. BEL HADJ AMOR (Chairman of the International Civil Service Commission) said that ICSC was grateful for the support expressed for its endeavours to maintain the common system, in the interest of all concerned. The Commission was aware of its role as a leader, catalyst and facilitator of necessary change. Since it was not helpful to engage in disputes with delegations, he would respond only to the technical and substantive observations made on the report of ICSC (A/49/30).

58. The Commission had taken no decision on the restoration of the mid-point of the net remuneration margin range. The options were reviewed in paragraph 72 of the report and consideration of the matter would be resumed at the Commission's spring 1995 session. It did not wish to change the rules in the middle of the game but rather to provide an objective basis for managing the margin when the 1990-1994 guidelines lapsed.

59. There appeared to be general acceptance of the ICSC recommendations with regard to a revision of dependency allowances, but one delegation had requested further details. The Commission's calculations had been based on the established "seven headquarters" methodology, which assessed the United States dollar values of social security payments, tax exemptions and deductions for

dependants as a basis for adjusting benefits for United Nations staff; the Commission had reviewed the specific calculations at its spring 1994 session. Information had also been requested about the selection of the duty stations for which local-currency dependency benefits were specified and why they differed from those selected for the education grant entitlement. The bases for calculating dependency allowances and the education grant were fundamentally different. The dependency allowances were based on a single global figure derived from the weighted average of the tax and social security benefits at the seven headquarters duty stations and were not related to the national benefits available at each duty station. In contrast, the education grant was calculated on a local basis in order to reflect local costs. The selection of the entitlement currency was thus determined by different considerations. In the case of dependency allowances, there had been substantial devaluations in the hard-currency areas since the previous review in 1992, and maintenance of the entitlements in local currencies rather than in the United States dollar would have worked to the disadvantage of hard-currency duty stations. Obviously, the hardness of a currency was not a consideration in the calculation of the education grant.

60. There was clear support for the recommended increase in the base/floor salary scale, but reservations had been expressed about the linkage of the scale to the mobility and hardship allowance and to the level of the matrix. It should be noted that the concept of a linkage between a salary scale and the adjustment of hardship allowances was used by the comparator civil service. The linkage of hazard pay to the base/floor salary scale in the case of internationally recruited staff had been intended to provide a more systematic approach. The concern expressed in the Committee had been noted, and the matter would be taken up during the review of the mobility and hardship system scheduled for 1996.

61. The Commission shared the disappointment of some members of the Committee that it had not made more progress on its review of the application of the Noblemaire principle. The review involved the cooperation of external entities and a vast amount of data collection and analysis. Work was, however, well advanced on comparisons with OECD and the World Bank. Substantial progress had also been made with one of the potential comparator civil services, but the other potential comparator had found it difficult to continue participating in the study. It would be helpful if the General Assembly could encourage the two civil services to continue to assist the Commission, which would try to submit the completed study to the General Assembly at its fiftieth session.

62. Two substantive points had been raised about the education grant proposals. First, there appeared to be a misunderstanding about the methodology used. He could assure the Committee that the recommended increases were in strict conformity with the methodology adopted in 1992, which was based on demonstrated need. Upward adjustments had been recommended in only a minority of currency areas because only in those areas had a need been demonstrated as indicated by the number of claims in excess of the maximum admissible expenses. In other currency areas the dual criterion of fees and cost had not been met. The

current methodology was superior to the former global averaging system. Detailed calculations and examples could be made available.

63. Second, the point raised about tertiary education was answered in the first two sentences of paragraph 270 of the report. The question of the scope of the education grant had been reviewed most recently in 1989. If there were now new facts to be taken into consideration, the Commission would add the topic to its work programme, the cost data for a breakdown of tertiary and other expenses would have to be obtained from the organizations.

64. The application of the current methodology for General Service salary surveys was in mid-cycle. At its next session, the Commission would consider its response to the issues raised by FICSA and the Coordinating Committee for International Staff Unions and Associations of the United Nations System (CCISUA) in the context of its preliminary study of survey methodologies and would undertake a comprehensive review on completion of the current round. Meanwhile, it would be guided by the position which it had reaffirmed at its latest session that the methodology attempted to strike a balance between consistency of approach and the flexibility needed to address local conditions in each headquarters duty station (A/49/30, para. 208).

65. ICSC was grateful for the support expressed for its work on the National Professional Officer category. It would continue to keep the matter under review because the expanding use of such officers was of fundamental importance for the international civil service.

66. With regard to performance management, the Commission's role was to provide a policy framework within which each organization could implement an action programme. Progress had not been as great as could be desired in the area of merit recognition, but the lack of properly functioning appraisal systems was bound to engender caution. A further report would be presented in 1997. Programmes could not, however, be operated on a shoestring, and the organizations should allocate sufficient resources to translate plans into action.

67. One delegation had recommended that all the organizations should allow the recruitment of spouses of staff members. Six years earlier, ICSC had requested the organizations to amend their staff rules so as to permit such recruitment. It had reiterated the recommendation in 1992, but some organizations had still not complied.

68. Some delegations had questioned the recent ILO decision regarding personal promotions. Once formal notification had been received from ILO of the action taken by its Governing Body, the Commission would examine the question and report back to the General Assembly.

69. The Commission was to examine the question of appointments of limited duration in 1995. Its work so far had been limited to two pilot projects being conducted by the United Nations and the United Nations Development Programme (UNDP). It now intended to take the matter up more actively.

70. In conclusion, he re-emphasized the need for a cooperative effort to carry forward the Commission's challenging programme. In particular, ICSC valued the contributions made by the staff representatives. It was to be hoped that the fiftieth anniversary of the United Nations would herald an era of renewed trust and goodwill among all the parties concerned.

The meeting rose at 12.20 p.m.